

**State of Utah****Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 8, 2006

Jay Marshall, Resident Agent  
UtahAmerican Energy, Inc.  
P.O. Box 986  
Price, Utah 84501

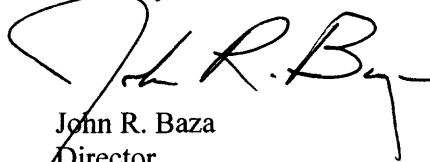
Subject: Five-Year Permit Renewal, UtahAmerican Energy, Inc., Horse Canyon  
Mine, C/007/0013, Task ID #2415, Outgoing File

Dear Mr. Marshall:

The permit renewal for the Horse Canyon Mine is approved, effective May 8, 2006. Enclosed is the State Decision Document for Permit Renewal, which includes two (2) copies of the renewed permanent program permit for the Horse Canyon Mine. Please read the permit to be sure you understand the requirements of the permit, then have both copies signed by the appropriate UtahAmerican Energy, Inc. officer and return one to the Division.

If you have any questions, please call me, or Pamela Grubaugh-Littig at (801) 538-5268.

Sincerely,



John R. Baza  
Director

Enclosures:

cc: James Fulton, OSM  
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**UTAH DIVISION OF OIL, GAS AND MINING  
STATE DECISION DOCUMENT**

**For  
PERMIT RENEWAL**

**UtahAmerican Energy, Inc.  
Horse Canyon Mine**

**C/007/0013**

**May 8, 2006**

**Contents**

- \* Administrative Overview
- \* Permitting Chronology
- \* Findings
- \* Permit
- \* Publication Notice
- \* AVS Compliance Memo

## **ADMINISTRATIVE OVERVIEW**

UtahAmerican Energy, Inc.  
Horse Canyon Mine

C/007/0013

May 8, 2006

### **Background**

Horse Canyon Mine is an inactive underground coal mine located in Emery and Carbon Counties, Utah, within the Book Cliffs Coal Field, about 120 miles southeast of Salt Lake City. The mine was initially opened by the Defense Plant Corporation in 1942 as the source of metallurgical grade coal for the Geneva Steel Works in Orem, Utah. The mine was sold to U.S. Steel in 1946, which operated the mine until January 1984, when all mining was permanently suspended.

U.S. Steel submitted a permanent program mining and reclamation plan permit application on March 17, 1981 for the operations existing at that time consisting of 3,120 acres of pre and post law underground mine workings and approximately 87 acres of surface disturbance. In 1982 U.S. Steel temporarily suspending mining operations at the Horse Canyon (Geneva) Mine and in 1984 permanently suspended mining operations.

On November 11, 1984, Kaiser Steel Corporation purchased the Horse Canyon Mine property from U.S. Steel, submitted a permanent program reclamation bond in the amount of \$918,649, and indicated to the Division that it would maintain the operations in a temporary suspension status pending further corporate decisions as to the future use of the facilities.

However, On February 13, 1987, Kaiser Coal (successor in interest to Kaiser Steel) filed a petition for bankruptcy under Chapter 11, Title 11, of the U.S. Bankruptcy Code. On April 5, 1990, Intermountain Power Agency acquired the Horse Canyon Mine and submitted a letter of credit in the amount of \$1,359,000 on July 2, 1990 to secure reclamation obligations. A permanent program permit was issued May 6, 1991 and included 1116 acres.

Intermountain Power Agency completed the reclamation of 51.56 acres of the 74 acres of surface disturbance in 1991. Phase I bond release was granted on February 5, 1997. Phase II bond release was approved on April 11, 2002 for UtahAmerican Energy, Inc. (UEI) with the removal of the sediment ponds. The remaining 22.44 acres have been acquired by the College of Eastern Utah for educational opportunities associated with the college, such as field camps.

UtahAmerican Energy, Inc. purchased the Horse Canyon Mine property and obtained permit rights in December 1998. A significant revision to the Horse Canyon Mine permit was submitted to the Division September 8, 1998 to mine south of Horse Canyon and develop new mining facilities in Lila Canyon. This significant revision was approved on July 27, 2001, but the Division decision was remanded by the Board and reversed the permit as a result of an appeal

by the Southern Utah Wilderness Alliance (SUWA). The Board ordered the Division to continue to process the permit on January 23, 2002. UEI resubmitted the permit application on February 11, 2002. The application was determined administratively complete on February 25, 2002. The application is not approved to date.

### **Public Notice**

UtahAmerican Energy, Inc. made application to the Division for a five-year permit renewal for the Horse Canyon Mine on January 6, 2006. This renewal encompasses the same permit area and disturbance as currently approved in the permit. The renewal application was determined administratively complete February 1, 2006. Public notice for this permit renewal was published in the Sun Advocate and Emery County Progress for four consecutive weeks beginning on February 7, 2006 and ending on February 28, 2006. No comments were received.

### **Recommendation for Renewal**

The Division made the decision on May 8, 2006 to approve the permit renewal for five years based on the fact that:

1. The terms and conditions of the existing permit are being satisfactorily met.
2. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the State Program.
3. The renewal does not substantially jeopardize the operator's continuing ability to comply with the State Program on existing permit areas.
4. The operator has provided evidence of having liability insurance and a performance bond will be in effect for the operation and will continue in full force and effect.
5. The permit is conditioned with the requirement to:
  - Submit water quality data through the Electronic Data Input web site.

The current bond amount of \$2,618,328 has been reviewed and found adequate for the currently approved Horse Canyon Mine permit area.

### **Recommendation**

Approval for this permit renewal is recommended.

## PERMITTING CHRONOLOGY

UtahAmerican Energy, Inc.  
Horse Canyon Mine

C/007/0013

May 8, 2006

January 6, 2006	UtahAmerican Energy, Inc. (UEI) submits permit renewal application.
February 1, 2006	Division issues Determination of Completeness for the Horse Canyon Mine permit renewal application.
February 8, 2006	Permit renewal completeness determination sent to applicable state, federal, and county agencies with a note that comments must be received by April 1, 2006.
February 7, 2006	First publication date of four consecutive weeks for Public Notice of permit renewal for the Horse Canyon Mine published in the <u>Sun Advocate</u> and <u>Emery County Progress</u> .
March 28, 2006	End of public comment period and no comments were received.
May 8, 2006	Permit is renewed.

## PERMIT RENEWAL FINDINGS

UtahAmerican Energy, Inc.  
Horse Canyon Mine


C/007/0013

May 8, 2006

1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being met. (R645-303-233.110).
3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).
5. The operator has provided evidence of maintaining liability insurance in full effect (Federal Insurance Company) (R645-303-233.140).
6. The operator has two reclamation sureties on file with the Division and has provided evidence that the surety will remain in full effect. (Surety Performance Bonds issued by: Lincoln General Insurance Company in the amount of \$2,618,328 (R645-303-233.150).
7. To date, the operator has submitted updated information as required by the Division through this permit term for the Horse Canyon Mine. (R645-233.160).

  
Permit Supervisor

  
Permit Supervisor

  
Associate Director of Mining

  
Director

**FEDERAL**

**C/007/0013**

**May 8, 2006**

**STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801  
(801) 538-5340**

This permit, C/007/0013, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

**UtahAmerican Energy, Inc.  
PO Box 187  
Saint Clairsville, Ohio 43950-0187**

for the Horse Canyon Mine. Two surety bonds are filed with the Division in the amount of \$2,618,328 payable to the State of Utah, Division of Oil, Gas and Mining and the United States Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSM). The Division must receive a copy of this permit signed and dated by the permittee.

**Sec. 1 STATUTES AND REGULATIONS** - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

**Sec. 2 PERMIT AREA** - The permittee is authorized to conduct coal mining and reclamation operations on the following described lands within the permit area at the Horse Canyon Mine, situated in the state of Utah, Carbon and Emery Counties, and located:

Beginning at the SW corner of the SE1/4 SE1/4 of Section 5, T16S, R14E, SLBM; and running thence North 660 feet; thence East 2640 feet; thence North 660 feet; thence East 1980 feet; thence North 660 feet; thence approximately N 45° East 4800 feet, more or less; thence approximately N 70° W 1250 feet more or less; thence West 250 feet; thence approximately N 28° W 1320 feet more or less; thence approximately N 65° E 580 feet more or less; thence approximately N 13° E 600 feet more or less; thence approximately N 82° W 100 feet more or less; thence approximately N 10° E 1650 feet more or less; thence approximately S 88° E 1030 feet more or less; thence South 260 feet; thence approximately S 88° E 550 feet more or less; thence approximately S 09° W 1940 feet more or less; thence East 300 feet; thence approximately S 20° E 1550 feet more or less; thence approximately N 68° E

100 feet more or less; thence approximately S 20° E 250 feet more or less; then approximately N 20° W 1120 feet more or less; N 68° E 2170 feet more or less; thence approximately N 20° W 1120 feet more or less; thence approximately N 68° E 600 feet more or less; thence East 200 feet; then approximately S 20° E 2800 feet more or less; thence approximately S 68° W 300 feet more or less; thence South 500 feet; thence West 1200 feet; thence South 300 feet; thence East 450 feet; thence South 380 feet; thence West 400 feet; thence approximately S 22° E 1310 feet more or less; thence East 1240 feet; thence approximately S 45° E 660 feet more or less; thence South 1000 feet; thence West 2650 feet; thence approximately S 22° E 2140 feet more or less; thence approximately N 68° E 1010 feet more or less; thence approximately N 22° W 700 feet more or less; thence approximately N 68° E 540 feet more or less; thence approximately S 22° E 500 feet more or less; thence approximately S 63° W 300 feet more or less; thence approximately S 22° E 600 feet more or less; thence approximately S 68° W 400 feet more or less; thence approximately N 22° W 110 feet more or less; thence approximately S 68° W 850 feet more or less; thence approximately S 22° E 1150 feet more or less; thence approximately S 89° E 350 feet more or less; thence South 100 feet; thence East 450 feet; thence South 2600 feet; thence approximately S 77° W 300 feet more or less; thence approximately N 2° W 1270 feet more or less; thence approximately N 22° W 1120 feet more or less; thence approximately S 68° W 2150 feet more or less; thence approximately N 22° W 200 feet more or less; approximately S 68° W 1950 feet more or less; thence approximately S 22° E 650 feet more or less; thence approximately S 8° W 560 feet more or less; thence approximately S 68° W 50 feet more or less; thence approximately N 22° W 1480 feet more or less; thence approximately N 68° E 2250 feet more or less; thence approximately N 22° W 5410 feet more or less; thence West 2000 feet; thence South 520 feet; thence West 1350 feet; thence South 1320 feet; thence West 660 feet to the NW corner of the NE1/4 NE1/4 of Section 9, T16S, R14E, SLBM; thence South 1320 feet; West 5280 feet; North 1320 feet to the point of beginning.

Less the following portions thereof:

- (a) Beginning approximately 700 feet South from the NW corner of Lot 11, Section 3, T16S, R14E, SLBM; thence East 700 feet; thence North 800 feet; thence approximately S 22° E 1600 feet more or less; thence approximately S 48° W 300 feet more or less; thence West 870 feet; thence approximately N 22° W 300 feet more or less; thence North 650 feet more or less to the point of beginning.
- (b) Beginning 590 feet North of the center of Section 3, T16S, R14E, SLBM; thence North 1120 feet more or less; thence W 750 feet; thence approximately N 22° W 660 feet more or less; thence approximately N 75° E 1460 feet more



or less; thence approximately S 22° E 2080 feet more or less; thence approximately S 75° E 100 feet more or less; thence approximately S 22° E 2500 feet more or less; thence West 1730 feet; thence approximately N 22° W 2320 feet more or less; thence East 300 feet more or less to the point of beginning.

- (c) Beginning 350 feet East of the NW corner of Section 11, T16S, R14E, SLBM; thence S 22° E 2720 feet more or less; thence approximately S 68° W 1650 feet more or less; thence approximately N 22° W 4800 feet more or less; thence approximately N 10° E 500 feet more or less; thence East 1400 feet more or less; thence approximately S 22° E 2020 feet more or less to the point of beginning.

Emery County Road to be Excluded:

A strip of land, 100.00 feet wide, 50.00 feet on each side of the following described centerline of Range Creek Road.

Beginning at a point which is East 621.06 feet and North 39.54 feet from the Southwest corner of Section 4, T. 16 S., R. 14 E, SLM, said point being at the intersection of County Road No. 125 and the existing centerline of Range Creek Road; Thence S 87° 00'53" E. 165.69 feet along said centerline; Thence N 88° 25'42" E, 757.20 feet along said centerline; Thence N 83° 28'57" E, 279.73 feet along said centerline; Thence N 74° 02'43" E, 332.77 feet along said centerline; Thence N 66° 30'57" E, 317.97 feet along said centerline; Thence widening to:

A strip of land 235.00 feet wide, 160.00 feet on the Left side, and 75.00 feet on the Right side of the following described centerline of Range Creek Road.

Thence N 66° 30'57" E, 17.14 feet along said centerline; Thence N 54° 43'42" E, 62.22 feet along said centerline; Thence narrowing to:

A strip of land 100.00 feet wide, 50.00 feet on each side of the following described centerline of Range Creek Road.

Thence N 54° 43'42" E, 244.85 feet along said centerline; Thence N 41° 39'08" E, 321.41 feet along said centerline; Thence N 40° 51'58" E, 215.74 feet along said centerline; Thence widening to:

A strip of land, 200.00 feet wide, 100.00 feet on each side of the following described centerline of Range Creek Road.

Thence N 59° 06'40" E, 77.29 feet along said centerline; Thence 68° 56'20" E, 255.57 feet along said centerline; Thence narrowing to:

A strip of land 100.00 feet wide, 50.00 feet on each side of the following described centerline of Range Creek Road.

Thence N 54° 03'37" E, 161.53 feet along said centerline; Thence 38° 29'53" E, 111.54 feet along said centerline; Thence N 10° 29'24" E, 97.46 feet along said centerline; Thence N 2° 27'45" E, 256.08 feet; Thence widening to:

A strip of land 235.00 feet wide, 126.00 feet on the Left side and 109.00 on the Right side of the following described centerline.

Thence N 2° 27'45" E, 84.52 feet; Thence narrowing to:

A strip of land 100.00 feet wide, 50.00 feet on each side of the following described centerline.

Thence N 2° 27'45" E, 94.87 feet; Thence N 15° 55'38" R, 134.45 feet; Thence N 16° 36'59" E, 49.47 feet; Thence N 23° 28'48" E, 40.00 feet; Thence N 34° 43'52" E, 59.69 feet; Thence N 40° 25'06" E, 38.84 feet; Thence N 40° 34'17" E, 98.71 feet; Thence N 55° 32'59" E, 282.33 feet; Thence N 52° 22'34" E, 239.37 feet; Thence N 56° 43'07" E, 331.37 feet to the existing centerline of Range Creek Road; Thence N 64° 44'50" E, 44.68 feet along said centerline; Thence widening to:

A strip of land 225.00 feet wide, 71.00 feet on the Left side, and 154.00 feet on the Right side of the following described centerline of Range Creek Road.

Thence N 64° 44'50" E, 4.76 feet along said centerline; Thence N 79° 53'20" E, 59.83 feet along said centerline; Thence N 82° 54'25" E, 29.97 feet along said centerline; Thence narrowing to:

A strip of land 100.00 feet wide, 50.00 feet on each side of the following described centerline of Range Creek Road.

Thence N 82° 54'25" E, 44.66 feet along said centerline; Thence N 73° 22'16" E, 89.66 feet along said centerline; Thence N 52° 54'37" E, 55.23 feet along said centerline of the East line of said Section 4 at a point which is N 0° 02'00" W, 2882.11 feet from the Southwest corner of Section 3. T. 16 S., R. 14 E., SLM; Thence N 52° 54'37" E, 217.93 feet along said centerline;

This legal description is for the permit area of the Horse Canyon Mine. The permittee is authorized to conduct coal mining and reclamation operations on the foregoing

described property subject to the conditions of all applicable conditions, laws and regulations.

- Sec. 3 COMPLIANCE** - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4 PERMIT TERM** - This permit is effective on May 6, 2006 and expires on May 6, 2011.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the approval of the Division Director. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13{e} and R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;
  - (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct coal mining and reclamation operations only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.
- Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:
- (a) Any accelerated or additional monitoring necessary to determine the nature and extent of noncompliance and the results of the noncompliance;
  - (b) immediate implementation of measures necessary to comply; and

- (c) warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

**Sec. 9 DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.

**Sec. 10 CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:

- (a) In accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
- (b) Utilizing methods specified as conditions of the permit by the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.

**Sec. 11 EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.

**Sec. 12 RECLAMATION FEE PAYMENTS** - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.

**Sec. 13 AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.

**Sec. 14 COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq.) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.

**Sec. 15 PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.

**Sec. 16 CULTURAL RESOURCES** - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee

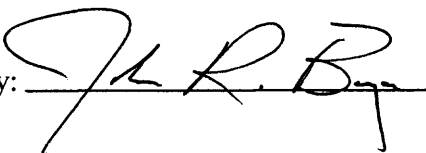
**Sec. 17 APPEALS** - The permittee shall have the right to appeal as provided for under R645-300-200.

**Sec. 18 SPECIAL CONDITIONS** - There are special conditions associated with this permitting action as described in attachment A.

The above conditions (Secs. 1-18) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them.

These conditions may be revised or amended, in writing, by the mutual consent of the Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations

**THE STATE OF UTAH**

By: 

Date: 5/8/06

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

\_\_\_\_\_  
**Authorized Representative of Permittee**

Date: \_\_\_\_\_

Attachment A

**SPECIAL CONDITIONS**

1. UtahAmerican Energy, Inc will submit water quality data for the Horse Canyon Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.

**AFFIDAVIT OF PUBLICATION**

STATE OF UTAH)

SS.

County of Carbon,)

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and the first publication was on the 7th day of February, 2006, and that the last publication of such notice was in the issue of such newspaper dated the 28th day of February, 2006.

  
Richard Shaw - Publisher

Subscribed and sworn to before me this 28th day of February, 2006.



Notary Public My commission expires January 10, 2007 Residing at Price, Utah

Publication fee, \$ 432.64

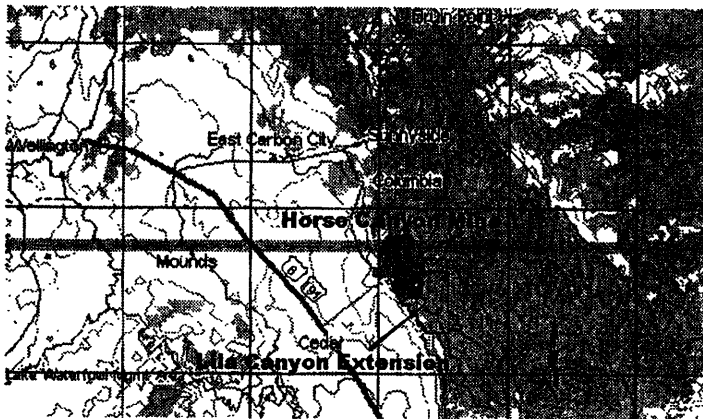
**PUBLIC NOTICE**

**APPLICATION FOR PERMIT RENEWAL  
UTAHAMERICAN ENERGY, INC.  
BOX 986  
PRICE, UTAH 84501  
HORSE CANYON MINE**

Notice is hereby given that UtahAmerican Energy, Inc. Submitted an "Application for Permit Renewal" for Permit C/007/013 for the Horse Canyon Mine to the State of Utah, Department of Natural Resources Division of Oil, Gas and Mining.

The lands involving mining and reclamation activities are located in Carbon and Emery counties. The site is located in Horse Canyon approximately 25 miles southeast of Price, Utah. The permit area encompasses approximately 1327.75 acres as located on the area map below.

An application for an extension to the Horse Canyon Mine referred to as the Lila Canyon Extension is under review by the Division. The Lila Canyon Extension is also shown on the map below.



A copy of the permit renewal application may be examined at the office of the Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801 and also at the Records Office located in the Carbon County Courthouse in Price, Utah, or the Emery County Courthouse in Castle Dale, Utah. Written comments, objections, or requests for an informal conference may be submitted to the Salt Lake City address. Said comments must be submitted no later than thirty (30) days from the date of the last publication of this notice. This notice is being published to comply with the Surface Mining and Reclamation Act of 1977, and State and Federal regulations promulgated pursuant to said Act.

Published in the Sun Advocate February 7, 14, 21 and 28, 2006.

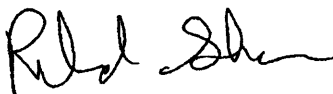
## **AFFIDAVIT OF PUBLICATION**

STATE OF UTAH)

SS.

County of Emery,)

I, Richard Shaw, on oath, say that I am the Publisher of the Emery County Progress, a weekly newspaper of general circulation, published at Castle Dale, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and that the first publication was on the 7th day of February, 2006 and that the last publication of such notice was in the issue of such newspaper dated the 28th day of February, 2006.



Richard Shaw - Publisher

Subscribed and sworn to before me this 28th day of February, 2006.



Notary Public My commission expires January 10, 2007 Residing at Price, Utah

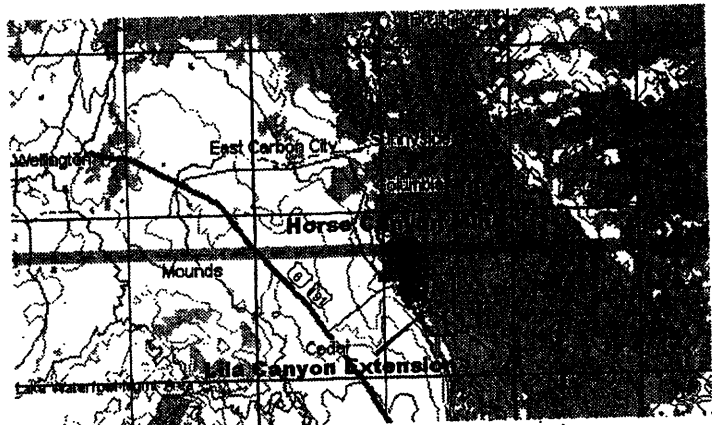
Publication fee, \$333.76

**PUBLIC NOTICE**  
**APPLICATION FOR PERMIT RENEWAL**  
**UTAHAMERICAN ENERGY, INC.**  
**BOX 986**  
**PRICE, UTAH 84501**  
**HORSE CANYON MINE**

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The lands involving mining and reclamation activities are located in Carbon and Emery counties. The site is located in Horse Canyon approximately 25 miles southeast of Price, Utah. The permit area encompasses approximately 1327.75 acres as located on the area map below.

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Published in the Emery County Progress February 7, 14, 21 and 28, 2006.





**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 2, 2006

TO: Internal File

FROM: Pamela Grubaugh-Littig, Permit Supervisor *pgl*

RE: Compliance Review for Section 510 (c) Findings – Horse Canyon  
Mine, UtahAmerican Energy, Inc., C/007/0013, Task ID #2415

As of the writing of this memo, there are no NOVS or COs which are not corrected or in the process of being corrected. There are no finalized Civil Penalties, which are outstanding and overdue in the name of UtahAmerican Energy, Inc. (UEI). UEI does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

The recommendation from the Applicant Violator System (AVS) denotes that all connected entities either do not have any civil penalties or are under a settlement agreement (attached).

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Application Evaluation Report Applicant Violator System 02-May-2006 13:05:10

State : UT Permit No : ACT007013 Appl No : ACT007013  
Permittee : 146487( UTAHAMERICAN ENERGY INC ) Seqno : 2  
Applicant : 146487( UTAHAMERICAN ENERGY INC )

OSMRE: Comments/Analysis: Date : 02-May-2006 Mode : VIEW  
Both state violations of Maple Creek Mining and Chaterburgy Coal are  
coded "C", indicating a settlement, payment plan, or pending challenge  
Linking entities from the violations to the applicant are Robert  
Murray, etc. aw

SRA: Comments/Analysis: Date : 02-May-2006 Mode : UPDATE

SAVE(F5) DELETE(F8)  
PRV SCR(F3) QUIT(F4) CHOICES(F10)

CMD|KER|DDE WINSOCK Node Connected CLR ↑

UT22W 88 ONLINE 18 35 Hold

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